



USDA Foreign Agricultural Service

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## Canada

### Trade Policy Monitoring

## Canada Initiates Preliminary Anti-Dumping Inquiry into Frozen Self-Rising Pizza Imports from the U.S.

## 2004

**Approved by:**

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U.S. Embassy

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**Report Highlights:**

On January 2, 2004, Canada announced the initiation of an investigation into the alleged injurious dumping of frozen self-rising pizza from the U.S. Canada started the investigation after receiving a complaint filed by McCain Foods Limited of Florenceville, New Brunswick. The company alleges that the dumping of the goods in question is harming Canadian production by causing price erosion, price suppression and lost sales. Entities and/or governments wishing to participate in the inquiry must file a notice of participation with the Canadian International Trade Tribunal on or before January 15, 2004.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Ottawa [CA1]  
[CA]

## CANADA INITIATES PRELIMINARY ANTI-DUMPING INQUIRY INTO FROZEN SELF-RISING PIZZA IMPORTS FROM THE U.S.

On January 2, 2004, the Canada Border Services Agency (CBSA) announced the initiation of an investigation into the alleged injurious dumping of frozen self-rising pizza from the United States. The CBSA started the investigation after receiving a complaint filed by McCain Foods Limited of Florenceville, New Brunswick. The company alleges that the dumping of the goods in question is harming Canadian production by causing price erosion, price suppression and lost sales.

The Canadian International Trade Tribunal (CITT) will now begin a preliminary inquiry into whether the imports are harming the Canadian producers. The Tribunal will issue a decision within 60 days. While the Tribunal is examining the question of injury, the CBSA will investigate whether the imports are being dumped and will make a decision within 90 days.

If there is a large increase of harmful imports and the Tribunal decides that retroactive application of anti-dumping duty is justified, duty could be levied on the goods brought into Canada as of January 2, 2004.

A copy of the Statement of Reasons, which provides more details about this investigation, will be available on request from the Anti-dumping and Countervailing Directorate and on the following Web site at: <http://www.cra.gc.ca/sima> within 15 days.

## CITT INITIATES PRELIMINARY INJURY INQUIRY

Notice was received by the Secretary of the CITT on January 2, 2004, from the Director General of the Anti-dumping and Countervailing Directorate at the Canada Border Services Agency (formerly the Canada Customs and Revenue Agency) stating that the President of the Canada Border Services Agency had initiated an investigation into a complaint respecting the alleged injurious dumping of prepared uncooked frozen pizza products containing uncooked self-rising dough and cooked and/or uncooked toppings which typically may include processed vegetables and/or meats and/or poultry and/or cheeses and/or a prepared sauce, put up for retail sale, originating in or exported from the United States of America.

Pursuant to subsection 34(2) of the Canada's *Special Import Measures Act* (SIMA), the CITT has initiated a preliminary injury inquiry to determine whether the evidence discloses a reasonable indication that the dumping of the subject goods has caused injury or retardation or is threatening to cause injury, as these words are defined in SIMA.

The Tribunal's inquiry will be conducted by way of written submissions. Each person or government wishing to participate in the inquiry must file a notice of participation with the Secretary on or before January 15, 2004. Each counsel who intends to represent a party in the inquiry must file a notice of representation, as well as a declaration and undertaking, with the Secretary on or before January 15, 2004.

On January 22, 2004, the Tribunal will distribute the public information received from the President to all parties that have filed notices of participation, and the confidential information to counsel who have filed a declaration and undertaking with the Tribunal. Submissions by parties opposed to the complaint must be filed on or before February 2, 2004. These submissions should include evidence, e.g. documents and sources that support the factual statements in the submissions, and argument concerning the questions of:

- whether there are goods produced in Canada, other than those identified in the President's statement of reasons for initiating the investigation, that are like goods to the allegedly dumped goods;
- whether there is more than one class of allegedly dumped goods;
- which domestic producers of like goods comprise the domestic industry; and
- whether the information before the Tribunal discloses a reasonable indication that the alleged dumping of the goods has caused material injury or retardation, or threatens to cause material injury.

The complainant may make submissions in response to the submissions of parties opposed to the complaint by February 10, 2004. At that time, other parties supporting the complaint may also make submissions to the CITT.

Written submissions, correspondence or requests for information regarding this inquiry should be addressed to:

The Secretary  
 Canadian International Trade Tribunal  
 Standard Life Centre  
 333 Laurier Avenue West  
 15th Floor  
 Ottawa, Ontario, Canada  
 K1A 0G7  
 Telephone: (613) 993-3595  
 Fax: (613) 990-2439

PRELIMINARY INJURY INQUIRY SCHEDULE:  
 (Pertaining to CITT Preliminary Injury Inquiry No. PI-2003-006)

January 5, 2004	Notice of commencement of preliminary injury inquiry
January 15, 2004	Notices of participation and representation, declarations and undertakings
January 22, 2004	Distribution of documents received from the President of the Canada Border Services Agency
February 2, 2004	Submissions by parties opposed to the complaint
February 10, 2004	Replies from the complainant and those in support of the complaint
March 2, 2004	Determination
March 17, 2004	Reasons for determination

## ANALYSIS

According to import trade data from Statistics Canada, in 1998, Canada imported 8,446 metric tonnes (MT) of pizza; in 1999 imports increased to 10,180 MT; in 2000 imports were 15,650 MT; in 2001 imports were 24,031 MT; in 2002 imports were 24,238 MT. For the first ten months of 2003, imports year-to-date have declined to 5,643 MT.

According to media reports, McCain Foods is the world's largest processor of French fried potatoes, but also produces other food products, such as frozen pizza. The company says sales of its "Rising Crust Pizza" have more than tripled in the last three years. McCain Foods sold more than \$6.4 billion worth of goods in its latest fiscal year. In July of 2003, McCain announced a \$29 million expansion and upgrading of its Grand Falls, New Brunswick pizza plant, scheduled to be completed by May 2004, to handle the growing demand for its frozen pizza products.

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